

# ITEL RAIL

55 Francisco  
San Francisco, California 94133  
(415) 955-9090  
Telex 34234

July , 1983

No. *3-208A080*  
Date **JUL 27 1983**  
Fee \$ *10.00*

Ms. Agatha Mergenovich, Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

*13198-A* ICC Washington, D. C.  
JUL 27 1983 -1 05 PM

Dear Ms. Mergenovich: INTERSTATE COMMERCE COMMISSION

Pursuant to 49 U.S.C. Section 11303(a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclose herewith on behalf of Itel Corporation for filing and recordation under the Lease Agreement dated June 12, 1981 between Itel Corporation, Rail Division ("Itel") and the East Camden and Highland Railroad Company (the "Lessee"), which was filed on July 21, 1981 at 2:15 p.m. and given recordation No. 13198, four counterparts of the following document:

Amendment No. 1 dated April 2, 1983 (the "Amendment") to the Lease between Itel and Lessee.

The names and addresses of the parties to the aforementioned Amendment are:

1. East Camden and Highland Railroad Company  
P.O. Box 3180  
East Camden, Arkansas 71701
2. Itel Corporation, Rail Division  
55 Francisco, 7th Floor  
San Francisco, California 94133

The equipment covered by this Amendment is thirty (30) 60 foot, 100-ton boxcars, A.A.R. mechanical designation XP, bearing reporting marks EACH 4151 through EACH 4180, inclusive.

Also enclosed is a check in the amount of \$10.00 for the required recording fee.

*Conradly*

Ms. Agatha Mergenovich, Secretary  
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Page Two

Please stamp all counterparts of the enclosed Amendment with your official recording stamp. You will wish to retain one (1) counterpart of the document for your files; it is requested that the remaining three (3) counterparts be returned to me by mail.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pat Salas Pineda".

Patricia Salas Pineda  
Counsel

PSP:dmm  
Enclosures

cc: Doug Drummond  
Iitel Corporation

L-0464  
3/29/83

RECORDATION NO. 13198-14  
FILE 1425

AMENDMENT NO. 1

JUL 27 1983 1 05 PM

INTERSTATE COMMERCE COMMISSION

**THIS AMENDMENT NO. 1** (the "Amendment") to that certain Lease Agreement (the "Agreement") made as of June 12, 1981 between **ITEL CORPORATION, RAIL DIVISION** ("Lessor") and **EAST CAMDEN AND HIGHLAND RAILROAD COMPANY** ("Lessee") is made this 2nd day of April, 1983, by and between Lessor and Lessee.

**W I T N E S S E T H :**

**WHEREAS**, Lessor and Lessee are parties to the Agreement, pursuant to which one hundred (100) boxcars bearing the reporting marks EACH 4151-4250 ("Cars") have been leased by Lessor to Lessee.

**WHEREAS**, Lessor and Lessee agree that it is to their mutual benefit to place for a period of time up to thirty (30) Cars bearing the reporting marks EACH 4151-4180 (hereinafter called "30 Cars") into an assignment pool on the railroad lines of another party in order to improve the utilization of and revenue from the 30 Cars.

**NOW, THEREFORE**, in consideration of the premises and mutual agreements herein contained, the parties hereto agree to amend the Agreement as follows:

1. All terms defined in the Agreement shall have their defined meanings when used in this Amendment.
2. Equipment Schedule No. 1, executed July 10, 1981, which is attached to and incorporated into the Agreement, shall be deleted in its entirety, and Equipment Schedule No. 1.A., attached hereto, shall be substituted therefor.
3. Section 15, which shall read as follows, is hereby added to the Agreement:

"15.A. The mechanical designation of the 30 Cars shall be changed and restencilled from 'XM' to 'XP' at Lessor's expense. In addition, Lessee shall, at Lessor's expense and with Lessor's approval, arrange to have the 30 Cars modified structurally so that they qualify for 'XP' mechanical designation pursuant to the rules of the Association of American Railroads. Upon the redesignation of the 30 Cars, Lessee shall arrange to have executed and delivered to Lessor a 'Certificate of XM to XP Modification' which shall include, with respect to each of the 30 Cars, the date such Car was modified.

B. If, at any later date, Lessor should desire to change the mechanical designation of any of the 30 Cars, Lessor shall be entitled to do so at its expense. Upon any such restencilling and redesignation, Lessor shall attach to this Amendment a Certificate of Change, to be made a part hereof, describing both the previous and current mechanical designation of any of the 30 Cars."

4. A. Lessor and Lessee agree that the 30 Cars should be placed for the period of time into an assignment pool on the railroad lines of Kansas City Southern Railway Company ("KCS") in order to improve the utilization of and revenue from the 30 Cars.
- B. For the purposes of paragraph 14 of the Agreement, Lessor hereby grants Lessee full power and authority to enter into, in the name of Lessee, an assignment agreement dated May 10, 1983 (to be hereinafter referred to as "Assignment Agreement") with KCS covering the 30 Cars. Under said Assignment Agreement, Lessee shall be empowered to place the 30 Cars in the possession of KCS with the right in KCS to utilize the 30 Cars in interline revenue service under Lessee's reporting marks. Such Assignment Agreement shall contain such terms and conditions as Lessor desires. Upon receiving instructions from Lessor to do so, Lessee shall immediately exercise any termination rights it may have under the Assignment Agreement.
- C. The Agreement shall remain in effect with respect to all of the cars subject to the Agreement, including the 30 Cars, except that, with respect solely to the 30 Cars, Section 7.C. of the Agreement shall be amended by the substitution of the number "one hundred (100) percent" for the number "sixty-nine (69) percent" for the period from the compliance date ("Compliance Date" as hereinafter defined) to and including the expiration or termination date of the Assignment Agreement (to be hereinafter referred to as the "Ending Date"). Upon the Ending Date, Section 7.C. of the Agreement shall be reinstated as it originally appeared in the Agreement with respect to the 30 Cars. The Compliance Date, with respect to each Car, shall be the date on which the Assignment Agreement is executed according to the terms and conditions set forth by Lessor.
- D. Section 7 of the Agreement shall be further amended by adding the following Section 7.F.(iv):
- "7.F.(iv). Solely with respect to the period commencing with the Compliance Date and ending on the Ending Date, Lessee's obligation to pay rent to Lessor shall be decreased by an amount equal to the monies paid by Lessee to KCS pursuant to the Assignment Agreement between Lessee and KCS with respect to the 30 Cars".
- E. Nothing herein contained shall (i) be deemed to constitute a waiver or otherwise modify, affect or impair any sums due to Lessor or Lessee with respect to any of the 30 Cars under the terms and conditions of the Agreement with regard to any period of time prior to the Compliance Date or after the Ending Date, or (ii) be deemed to constitute a waiver or otherwise modify, affect or impair the powers, rights, or remedies vested in or available to Lessor or Lessee with respect to any of the 30 Cars under the terms and conditions of the Agreement with regard to any period of time prior to the Compliance Date or after the Ending Date.

5. The parties agree that all rights and obligations of Lessor may be assigned to Itel Rail Corporation upon confirmation of a Plan of Reorganization for Itel Corporation by the United States Bankruptcy Court Northern District of California or by another court of competent jurisdiction, and that upon such assignment and upon the assumption of Itel Rail Corporation of all of Itel Corporation's obligations hereunder, Itel Corporation is hereby released from all liabilities hereunder without further action by the parties and Itel Rail Corporation shall assume all such obligations without further action by the parties.
6. Except as expressly modified by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect.
7. This Amendment may be executed by the parties hereto in any number of counterparts and all said counterparts taken together shall be deemed to constitute one and the same instrument.

ITEL CORPORATION,  
RAIL DIVISION

By: 

Title: President

Date: 7-7-83

EAST CAMDEN AND HIGHLAND  
RAILROAD COMPANY

By: 

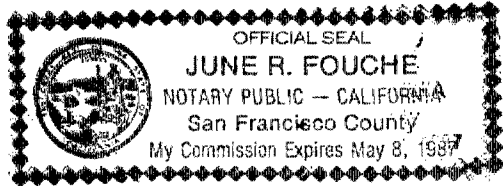
Title: Exe. V. P.

Date: 3-30-83

STATE OF CALIFORNIA )  
 )  
COUNTY OF SAN FRANCISCO )

On this 7 day of July, 1983, before me personally appeared Edward M. O'Dea, to me personally known, who being by me duly sworn says that such person is President of ITEL Corporation, Rail Division, that the foregoing Amendment No. 1 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public



STATE OF ARKANSAS )  
COUNTY OF OUACHITA ) ss:

On this 30th day of MARCH, 1983, before me personally appeared DON E. GHENT, to me personally known, who being by me duly sworn says that such person is EXE. VICE-PRESIDENT of East Camden and Highland Railroad Company, that the foregoing Amendment No. 1 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

MY COMMISSION EXPIRES 11-15-84

Sarah G. Derrick  
Notary Public

L-0464

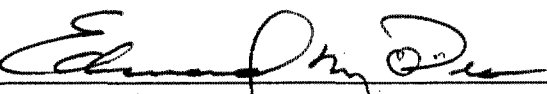
EQUIPMENT SCHEDULE NO. I.A.

Itel Corporation, Rail Division hereby leases the following Cars to East Camden and Highland Railroad Company subject to the terms and conditions of that certain Lease Agreement dated as of June 12, 1981.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside		Doors Width	No. of Cars
				Width	Height		
XP	60', 100-Ton General Boxcars with 15" End-of- Cushioning	EACH 4151-4180	60'10"	9'6"	11'0"	12' Sliding	30
XM	60', 100-Ton General Boxcars With 15" End-of- Cushioning	EACH 4181-4250	60'10"	9'6"	11'0"	12' Sliding	70

ITEL CORPORATION, RAIL DIVISION

BY:



TITLE:

President

DATE:

7-7-83

EAST CAMDEN AND HIGHLAND  
RAILROAD COMPANY

BY:



TITLE:

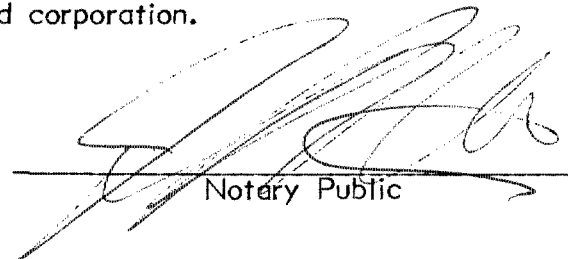
Exe. V.P.

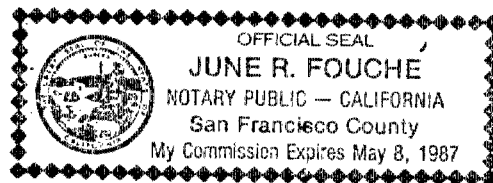
DATE:

3-30-83

STATE OF CALIFORNIA                    )  
  ) ss:  
COUNTY OF SAN FRANCISCO )

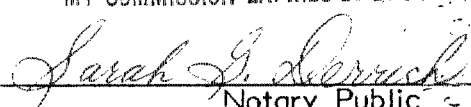
On this 7 day of July, 1983, before me personally appeared Edward M. O'Dea, to me personally known, who being by me duly sworn says that such person is President of Itel Corporation, Rail Division, that the foregoing Equipment Schedule No. I.A. was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
\_\_\_\_\_  
Notary Public



STATE OF ARKANSAS                    )  
  ) ss:  
COUNTY OF OUACHITA )

On this 30th day of MARCH, 1983, before me personally appeared DON E. GHENT, to me personally known, who being by me duly sworn says that such person is EXE. VICE-PRESIDENT of East Camden and Highland Railroad Company, that the foregoing Equipment Schedule No. I.A. was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

MY COMMISSION EXPIRES 11-15-84  
  
\_\_\_\_\_  
Notary Public